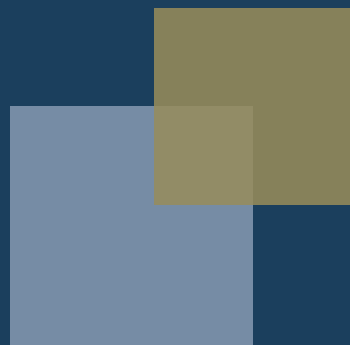




Chapter 6

Case study: Mexico



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Mexico boasts one of the world's most sophisticated and well-funded systems of electoral administration and supervision. Crafted during the lengthy transition to multiparty democracy, which culminated in the 2000 election of opposition leader Vicente Fox to the presidency, the electoral system is based on a triad of national institutions. The National Electoral Institute (INE, formerly known as the Federal Electoral Institute, IFE), the Electoral Tribunal and the special prosecution office for electoral crimes are together charged with administering and supervising the country's multiple electoral processes and state financial support to political parties. A series of political and electoral reform laws, the latest of which was approved in 2014, has sought to extend and refine the remit of these institutions, most recently by reinforcing measures to protect the integrity of the electoral process from illicit influence and excess spending (Integralia 2014). Beginning with the 2015 legislative elections, for instance, parties and candidates must register all spending and income in a national digital platform. The INE, in addition, has assumed new roles in local elections as part of efforts to standardize the electoral process across the country, including auditing of electoral campaigns (INE 2016).

At the same time, the Mexican authorities coordinate an impressive series of regular elections to multiple levels of government. Six-yearly presidential polls are the most important events on the Mexican electoral calendar, but other elections include votes for deputies and senators in the two houses of Congress, for the 32 governors of the country's regions—including the head of government in Mexico City—and for mayors and councillors in the nation's 2,457 municipalities, whose powers include appointments to the local police and decisions on public works. The parties that are officially registered (and can therefore compete in these polls) benefit from some of the most generous public funding mechanisms in the world: in 2012 the estimated value of the

total state funding for party organizations was USD 254 million (Molenaar 2012: 8), which is complemented by extra funds for election campaigns.

Parties and candidates are subject to strict ceilings on spending and restrictions on private donors, including a ban on anonymous donations and contributions from businesses, foreigners, public entities or religious leaders (Molenaar 2012: 14–15; International IDEA 2015). Both funding and spending limits are enforced by extensive compliance demands on parties and candidates, which are monitored in the first instance by the Technical Auditing Unit, based in the INE. This unit employs a total of over 200 people, most of whom are lawyers and accountants (Molenaar 2012: 19).

However, criticisms of (and misgivings related to) the achievements of this complex architecture of electoral management are acute and widespread. Mexican political history offers numerous examples of electoral fraud: rigged and fraudulent presidential elections were reportedly held throughout the 19th century dictatorship of Porfirio Díaz, during the period of civil war from 1911 to 1920, and at regular six-year intervals from 1934 onwards, not long after the start of seven decades of one-party hegemony exercised by the Institutional Revolutionary Party (PRI) (Lehoucq 2003; Aguayo Quezada 2010; Ackerman 2012: 3–4). A number of experts on the country's electoral history remain convinced that some of these practices continue in various guises, and are facilitated by challenges that the three election management bodies face.

Particular attention has focused on the alleged mishandling of the contested 2006 presidential poll, in which Felipe Calderón was declared the winner by a margin of 0.58 per cent of the votes. Critics also highlight the failure to prosecute excess campaign spending, vote buying, and violations of electoral law on the use of the media or the abuse of state resources (Ackerman 2007). As many observers point out, the new systems of auditing and control of political finance have limited sway over the large cash movements that are reportedly common in campaigns (anonymous interviews, Mexico, September 2015).

In this context of electoral vulnerabilities and disputed polls, the threat posed by powerful, violent and wealthy criminal organizations to the electoral process has been regarded as one of the most acute challenges, including by the former head of the IFE (Ugalde 2015). The Mexican authorities estimate that nine major cartels are currently operating in the country, with diverse illicit interests including drug trafficking—above all cocaine, heroin and methamphetamine, the latter two produced in Mexico—extortion, kidnapping and migrant smuggling (*El Daily Post* 2015).



As the recent International IDEA report on organized crime and political parties explains, the linkages in Mexico between some politicians and criminal organizations are far from new (Briscoe and Goff 2016). The long histories of these ties, their many regional and local nuances, and the effects of the democratic transition on their evolution have shaped political–criminal connections that occasionally hinge upon illicit influence on elections. In this context, a strong policy response to criminal influence at the polls undoubtedly depends on a broader effort to tackle the nexus between politics and crime. Indeed, elections are just one entry point for organized crime to interfere with the political system. Accordingly, strengthening the electoral system can play only a limited (but potentially important) part in preventing and mitigating organized crime interference in politics.

Contested elections and the war on crime

Although opinions on the subject are far from unanimous (Pansters 2011; Santiago Castillo 2011: 52–58; Aparicio 2009; Iturriaga 2007; Murayama 2006; Pliego 2007), a number of political and legal experts, as well as the opposition Democratic Revolutionary Party (PRD), regard the contested 2006 presidential election as evidence of the corrosion of the country’s new electoral institutions. The IFE’s decision not to proceed with a full recount of votes, despite reports of miscounts in numerous ballot boxes, the apparent politicized nature of appointments to the IFE council that made the decision and the failure to prosecute alleged violations of electoral law by the eventual winners marked a return, in the eyes of some experts, to ‘electoral authoritarianism’ (Ackerman 2012: 6). These events were arguably a step backwards after several years of vanguard interventions by the country’s new electoral authorities, including the annulment of 17 state and municipal elections, and the groundbreaking prosecution of former president Vicente Fox’s campaign for accepting illicit campaign funds in 2000 (Santiago Castillo 2011).

Aside from the controversy, protests and indignation of the losing candidate and then-PRD leader Andrés Manuel López Obrador—who famously declared before a rally in Mexico City, ‘to hell with these institutions!’ (Ortega Ávila 2006)—questions have been raised about the effects of the 2006 elections on the way the Mexican state proceeded to combat organized crime. In short, opposition politicians and prominent Mexican opinion leaders maintain that President Calderón’s decision to lead a militarized offensive against drug-trafficking organizations is partly connected to the perception that his legitimacy as elected president was questioned in the aftermath of the

election. According to former Foreign Minister Jorge Castañeda, ‘Calderón boldly legitimized his government, and changed the subject, by declaring war on the nation’s formidable drug cartels’ (Castañeda 2009).

If this is true, it would possibly mark one of the most significant effects of contentious elections on the way a country has dealt with organized criminal activity. Assessments of President Calderón’s offensive underline its undesired effects, above all the way it splintered criminal organizations, spurred new violent actors and contributed to increasing homicide rates. Official statistics reveal that 121,669 murders were reported under President Calderón’s term, around half of which were estimated to be due to organized crime (Heinle, Molzahn and Shirk 2015). Moreover, in the regions most affected by organized crime, its territorial and political influence allegedly deepened rather than diminished (Schedler 2014).

At the same time, the policy shift announced by President Calderón did not emanate solely from a president seeking a legitimacy boost. The first military deployments were made in response to direct requests from a number of Mexico’s regional governors for support against organized crime, and received backing from the official body representing them—the National Conference of State Governors—as well as from many sectors of society and from the United States, which provided financial support via the Mérida Initiative. A more valid assessment of President Calderón is that the offensive was based on the assumption that Mexico’s state and security structures would operate in a coordinated and harmonious fashion to combat organized crime. Instead, the campaign revealed the extent of fragmentation of the country’s state and security institutions, which partly enabled criminal organizations to consolidate numerous context-specific illicit linkages with officials in order to secure impunity, protection, additional firepower and territorial control (Flores Pérez 2009; Astorga 2015: 319).

Criminal violence, illicit finance and elections

Mexico’s democratic transition proved highly successful in empowering the two other main parties, the PRD and the National Action Party (PAN), as well as establishing a nationwide system of regular competitive elections at multiple levels of state power.

However, the effect of these reforms on an environment marked by the presence of wealthy and violent criminal organizations, which were becoming pivotal players in the trafficking of cocaine and other drugs to North



America, was not straightforward. The transition embedded fragmentation and competition across the state and political system, undermining attempts to increase democratic accountability. Indeed, political parties fought for control at all levels of the state, from the presidency down to the municipality, with the consequence that lower-level officials and politicians no longer had to answer for their actions through a single vertical party structure. At the same time, the enriched criminal organizations that formerly had to negotiate permission for their activities with central state powers, above all the Federal Security Directorate that was disbanded in 1985, enjoyed far greater power to 'pick and choose' who to influence in the state (Astorga 2015).

The effects of democratization in Mexico on crime and politics go far beyond the issue of elections. However, the strategies chosen by the country's criminal organizations to influence elections are clear examples of how this transition has structured the scale and intensity of illicit influences on political life.

Electoral violence has become a standard means used by organized crime to secure cooperation from political and security authorities at the local level. From 1995 to 2015, over 100 political candidates were targets of criminal violence, including threats, kidnapping and assassination (Ley 2015: 9). Concrete incidents of criminal attacks are numerous. The killing in 2010 of the PRI candidate for state governor in Tamaulipas, Rodolfo Torre Cantú, is one of the most prominent cases. Numerous candidates in highly criminalized states such as Durango, Jalisco, Michoacán, Morelos, Nuevo León and Tamaulipas have been forced to withdraw from campaigns, depressing turnout in constituencies affected by high levels of violence (Ley 2015; Schedler 2014). Meanwhile, a total of 21 candidates and activists were killed in the run-up to local and legislative elections in June 2015 (Vicenteño 2015). In a notorious case, one of the mayors elected in these polls, Gisela Mota in Temixco, in the state of Morelos, was shot dead a day after taking office.

However, this panorama of terrifying violence against electoral candidates should not obscure the highly selective use that is made of such violence. The presidential elections of 2012, the most significant Mexican poll in recent years, were barely affected by acts of criminal violence (Corcoran 2012; Hope 2012). Indeed, many Mexican elections are uneventful, and the effects on turnout in high crime areas are disputed by officials (INE 2016). Criminal organizations appear to very selectively target the local authorities that are most essential to their trafficking or extortion business. In doing so, as the drug trafficking scholar Luis Astorga notes, these organizations enter into relationships with all three leading political parties: 'If they enter Michoacán, they have to transport methamphetamine, heroin and cocaine through places with PRI

state governments and municipal administrations run by PRI, PAN and PRD' (Astorga 2015: 38–39). Seen in this light, electoral violence is targeted to wrest certain state powers, such as public works contracts and business licenses, or even regular payment of protection income out of municipal coffers, from the likely poll winners. But it does not demonstrate a preference for a particular party or rely on candidates who are directly involved in organized crime (anonymous interview, Mexico City, September 2015).

This distancing from political power can be seen as a response by Mexican criminal organizations to the risks of seeking too much protagonism in the state, as demonstrated by the demise of major mafia groups in Colombia and Italy (Astorga 2015: 62). Relatively stable relationships of dependence on (and protection of) politicians in particular localities, backed by the weakness, indifference, or permissiveness of national authorities and political parties, appears to be the preferred route taken by leading Mexican criminal organizations such as the Sinaloa cartel. Illicit, cash-based financial contributions to election campaigns also seem to form part of this strategy, and would help account for the evidence that candidates and parties spend far more than they receive in state support (Ugalde 2015). However, there is no robust financial estimate of how great these sums of money might be—evidently they are not accounted for in the INE's digital political finance platform—or how large they are compared to the illicit contributions made by legitimate businesses seeking favours and privileges from the state.

In an attempt to curb this problem, as of the 2015 elections candidates have to report their income and expenses within three days. The INE is responsible for verifying the candidates' reports, and other candidates and parties can report misconduct among their peers (INE 2016). In addition, the INE maintains an Authorized Supplier National Registry, which helps track market prices and verify the general accuracy of these reports.

Politicians consulted for this study tended to argue that the main illicit contributions to election campaigns were in fact from legitimate businesses, and that organized crime tended to avoid electioneering if it could. 'Crime is not a machine for generating narco-politicians ... Organized crime has its own arrangements, such as with police commanders, that are separate from those with politicians' (anonymous interview, remote location in Mexico, September 2015).

At the same time, as the record of Mexican criminal violence shows, local politicians remain crucial intermediaries for multiple illicit networks, not least as a result of their power to appoint and remove municipal and state



police officers and to influence local public works. In the case of the murdered mayor Gisela Mota, her determination to eliminate corrupt procurement and outsourcing contracts would appear to have played a more fundamental role than conflict with trafficking organizations. But her former campaign manager indicated that the precise responsibility for the crime was opaque. 'It's like dealing with a monster with a thousand heads. Interests are symbiotic but mafias don't show their faces' (Lakhani 2016).

Conclusion

A crucial part of the transition to multiparty democracy, Mexico's electoral system has evolved into an elaborate set of mechanisms that aims to finance parties and to protect elections from undue private, government or illicit influence. However, the controversy surrounding the result of the 2006 elections, as well as other scandals involving alleged vote buying and abuse of state resource or the media, have undermined some of this system's public credibility (Urrutia 2014).

Criminal violence targeting local and state election candidates is currently one of the most urgent dilemmas facing the democratic system, and electoral processes in particular. These incidents, however, cannot be treated merely as an occasional phenomenon of bloodletting requiring additional security measures. The character of these attacks reveals that they are part of a broader strategy by criminal organizations and associated businesses to achieve the compliance of select state authorities without gaining an unnecessarily high political profile. Accordingly, disentangling and prosecuting the many different links between politics and crime in the competitive and fragmented context of Mexico's democracy requires a more targeted approach. Furthermore, this should involve a range of institutions outside the electoral realm that have a mandate to provide security and fight corruption.

There is no doubt that the expansion of the vast electoral auditing and compliance system in Mexico has been an important accomplishment. These reforms allow the Mexican Government to closely and rapidly monitor candidates' revenue and spending, or centralize control of elections. For example, the 2014 political and electoral reform provides INE with the power to cooperate with other government bodies on matters of financial intelligence, and identify financial operations involving illicit sources.

However, elections are merely one democratic process that these criminal networks can abuse to benefit from political corruption. Improving the

electoral system and strengthening oversight institutions has an important, albeit limited, effect on endeavours to address these threats. Greater efforts should also be made to prioritize oversight of some of the most critical issues raised by organized crime. Identifying the localities that are most vulnerable to criminal violence and co-optation at polling time is a crucial first step. Coordinated, inter-institutional monitoring and enforcement teams—combining INE officials and money laundering experts from the Financial Intelligence Unit—could then be deployed to detect and deter links between criminal actors and politicians.

Most importantly, the large range of institutions charged with providing public safety and fighting corruption need to coordinate their actions in order to mitigate the threats posed by organized crime before, during and after elections. At the same time, national political parties must be obliged to recognize and act upon their responsibilities in these crime-affected campaigns, if necessary through judicial investigations that target and sanction senior party officials. Until the illicit influences at the local level and the responsibilities of national parties, whether through action or omission, are addressed in a robust and concrete fashion, the risks of criminal influence over elections in Mexico are unlikely to abate.